

CITY ETHICS COMMISSION

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REGULAR MEETING OF THE
LOS ANGELES CITY ETHICS COMMISSION

Tuesday, December 16, 2008
9:30 a.m.

APPROVED

City Hall Room 1050 (10th Floor)
200 North Spring Street
Los Angeles, CA 90012

1. Call to Order.

Commission President Helen Zukin called the meeting to order at 9:42 am.

Present: Zukin, Turner, and Jenkins.

2. Public Comment

Testimony on issues that are within the Commission's jurisdiction but are not listed on the agenda will be taken at this time. If a speaker is not addressing matters within the Commission's jurisdiction, the presiding officer will ask the speaker to conclude. Each speaker will be allowed five minutes.

There was no public comment.

3. Approval of draft minutes for the meeting of November 18, 2008.

Jenkins moved to approve, Turner seconded. Motion carried 3-0.

4. Executive Director's Report [LeeAnn Pelham].

Executive Director LeeAnn Pelham briefly discussed the Ethics Conference she recently attended and provided the Commissioners an update on the Commission's budget for the current fiscal year and for Fiscal Year 2009-10. Commissioner Turner asked for clarification on any revenues that the Commission generates. Pelham responded that any lobbying fees, late filing fees, enforcement fines, or proceeds from the licensing of the Commission's electronic filing system go into the City's General Fund and are not used to supplement the Commission's budget.

5. Monthly policy and legislation report [Heather Holt].

Director of Policy and Legislation Heather Holt did not have anything to add to the written status report. Commissioner Turner asked her about Instant Run-off Voting (IRV) and its connection to the Commission's campaign finance program. Holt responded that the New America Foundation is pursuing IRV, and it has been suggested that money saved by implementing IRV could be put toward financing a full public financing program. The City Council had considered placing an IRV measure on the March 2009 ballot but instead convened a working group that will provide a report to the Council on the impact of IRV by July 4, 2009.

6. Discussion and possible action on the BONC recommendation regarding financial disclosure by neighborhood council board members [Heather Holt].

Holt provided a history of the issue of financial disclosure by neighborhood council board members to date and outlined the Board of Neighborhood Commissioners (BONC) recommendation that Form 52 be amended to capture only the information that is directly related to the neighborhood council file that triggered the filing requirement for Form 52. Zukin mentioned that she is comfortable with either leaving Form 52 as is or modifying it to capture less information. Turner and Jenkins expressed that they are most comfortable with Form 52 as is, and Zukin agreed.

7. Consideration of and action on the following proposed stipulated settlements pursuant to the Commission's infraction policy:

a. In the Matter of: Richard Riordan, CEC Case No. 2008-15-B [Deena Ghaly and Terra Messina].

Commission President Zukin needed to recuse herself from this matter, leaving only two Commissioners present and no quorum. The matter has been continued.

8. Consideration of and action on statements of economic interests for commission and department head SEI reviews [Shannon Prior].

Statements of appointees receiving CAUTIONARY letters that highlight areas in which potential conflicts of interest could arise:

Mr. William H. Jackson – Community Redevelopment Agency Board of Commissioners

Mr. Javier C. Angulo – East Area Planning Commission

Statements of appointees receiving STANDARD letters indicating that there are no apparent conflicts of interests:

Ms. Melany Dela Cruz-Viesca – Human Relations Commission

Ms. Vivienne H. Lee – Los Angeles Convention & Exhibition Center Authority

Commissioner Turner recused himself from the action on the statement of economic interests for Ms. Vivienne H. Lee, so it was continued. The other statements of economic interests were approved 3-0. Jenkins moved, and Turner seconded.

9. Discussion and possible action on the allocation of public matching funds for the March 2009 primary elections [Heather Holt & Eric Tan].

Holt presented the item, explaining that the Commission is required by the Charter to assess the balance of the Public Matching Funds Trust Fund prior to each election, to determine whether the maximum amount of matching funds is available for each qualifying candidate. She said that, based on the current trust fund balance, the number of candidates who have agreed to participate in the matching funds program for the March 2009 primary, and historical participation trends, the staff recommends that the maximum amount be approved for each candidate. Jenkins moved to adopt the resolution establishing the maximum matching funds for the March 2009 primary, and Turner seconded. The resolution was approved 3-0.

10. Discussion and possible action on recommendations regarding improvements to the Municipal Lobbying Ordinance [Heather Holt].

Holt reviewed the items in Category #1 (the definitions of “lobbyist” and “lobbying”) that the Commission agreed on at the November meeting and identified the issues that remain outstanding, including an appropriate second-tier registration threshold for in-house lobbyists and an exemption for communications that provide purely technical data or expertise.

Commission President Zukin opened up the floor to public comment. The Commission heard from Veronica Perez-Becker from the Central City Association, Joe Catalago from the Building Industry Association, and Vanessa Rodriguez from the Los Angeles Chamber of Commerce. All three speakers expressed an interest in keeping the exemption for technical experts. Perez-Becker argued that a contact threshold of five is too low.

With regard to a two-tiered approach to registration thresholds, the Commission reached consensus that a second tier is appropriate for in-house lobbyists, that in-house lobbying contacts should be counted by organization (rather than by individual), that a lobbying organization should be able to engage in five contacts per quarter before having to register, and that in-house lobbyists should also be able to engage in five contacts per quarter before having to register. With regard to the exemption for technical data or expertise, the Commission reached consensus that it should be narrowed to apply only when the communication is made in the presence of a registered lobbyist,

The Commission also reached consensus on two other issues: 1) business owners do not need a separate exemption, because they will be subject to the second-tier registration threshold for lobbying organizations; and 2) a lobbying “contact” occurs every time a communication is made to a separate City official (e.g., an email sent to six persons represents six contacts).

One outstanding issue is how to treat 501(c)(3) organizations. Turner said that he believes the current exemption should be maintained but that the government funding requirement should be eliminated. Jenkins expressed concern regarding an exemption for sophisticated 501(c)(3) organizations. Zukin asked Deputy City Attorney Renee Stadel about the legal ramifications of an exemption for 501(c)(3) organizations. Stadel advised against conducting such a discussion on the record in a public session. The commissioners determined that they would like to go into closed session to receive further advice from the City Attorney's office. Stadel said that there are very narrow circumstances in which a closed session can be held. One is if there is threatened litigation, and another is to discuss whether a closed session can be held. The commissioners requested a closed session on this issue at the January 2009 meeting and asked Stadel to determine between now and then what type of closed session it can be.

11. Discussion and possible action on the regular meeting schedule for the second half of Fiscal Year 2008-09 [LeeAnn Pelham].

Pelham presented the item. The Commission's February meeting was moved to February 3, 2009, and the meeting schedule for the remainder of the second half of Fiscal Year 2008-09 was approved. Jenkins moved, and Turner seconded. Motion carried 3-0.

12. Announcements and requests to schedule items on future agendas.

No action was taken.

13. Adjournment.

Zukin adjourned the meeting at 12:00 pm.